

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
NOVEMBER 18, 2013**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, November 18, 2013.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Doug Schulte – Secretary
Alex Emmons – Wastewater Commissioner
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Ernie Hinkle – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Ashley Kiefer – Office Manager
Renee Kabrick – City Attorney

ABSENT:

Ken Sendelweck – Electric Commissioner

PLEDGE OF ALLEGIANCE (DVD-00:40)

Chairman Wayne Schuetter led the Pledge of Allegiance.

QUOTE OPENING: PORTABLE METER TESTER – ELECTRIC DEPT. (DVD-01:02)

Bud Hauersperger opened the quotes and read them aloud as follows:

- | | |
|-------------------------------|------------|
| 1. Shewmaker Electronics | \$9,715.00 |
| Louisville, KY | |
| 2. Brownstown Electric Supply | \$9,205.00 |
| Brownstown, IN | |

All the quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation, and an Affidavit Regarding Non-responsibility.

Jerry Schitter asked for the Board's permission to purchase the portable meter tester from Brownstown Electric, the low quote amount, for \$9,205. Rick Stradtner made a motion to accept the low quote from Brownstown Electric Supply for \$9,205.00. Alex Emmons seconded the motion. Motion approved, 6-0.

QUOTE OPENING: CHEMICALS FOR 2014 – WATER DEPT. (DVD-04:10)

Bud Hauersperger opened the chemical quotes and read them aloud. Quotes for various items included in the request were received from the following companies:

1. American Intl Chemical
2. Brenntag Mid South
3. Chemical Resources
4. Kemira Water Solutions, Inc. – no bid, letter received
5. Mississippi Lime
6. Sal Chemical
7. Univar USA, Inc.
8. USALCO – no bid, letter received
9. Water Solutions

Not all companies submitted bids on every item included in the request.

All the quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation, and an Affidavit Regarding Non-responsibility.

Ernie Hinkle asked to take the quotes under advisement and report back at the next meeting with a summary. Keith Masterson made a motion for Hinkle to take the quotes under advisement and report back at the next meeting. Dave Hurst seconded the motion. Motion approved, 6-0.

APPROVAL OF MINUTES (DVD-19:49)

Chairman Wayne Schuetter presented the minutes of the October 21, 2013 Regular Meeting. Ashley Kiefer, Office Manager, stated that one change needed to be made to the October minutes. At the October meeting the Resolutions were numbered incorrectly. The Resolution #USB 2013-7, should have been #USB 2013-8, and #USB 2013-8, should have been #USB 2013-9.

Dave Hurst made a motion to approve the minutes of the October meeting as corrected. Doug Schulte seconded the motion. Motion approved, 6-0.

2014 CAPITAL EXPENDITURE PLAN - ELECRIE DISTRIBUTION
(DVD-21:16)

Jerry Schitter presented his 2014 Capital Expenditure Plan to each Board Member. He invited the Board Members to contact him with any questions or concerns.

POLE ATTACHMENT AGREEMENT WITH FULLNET (DVD-22:12)

Jerry Schitter informed the Board that Fullnet, Inc. in Jasper would like an agreement with the City for pole attachments. Fullnet would like to take fiber from their offices and extend it to Tierra on St. Charles Street. Schitter stated that there is space on poles and everything looks in order. Fullnet has signed the agreement; the only thing missing is their insurance requirements. Attorney Kabrick stated that she would like time to review the agreement.

Rick Stradtner made a motion to approve the pole attachment agreement with Fullnet, Inc., contingent upon review by Attorney Kabrick. Keith Masterson seconded the motion. Motion approved, 6-0.

MUTUAL AID (DVD-23:52)

Schitter informed the Board that the City of Washington, Indiana requested assistance today, as well as tomorrow, due to the devastation from the storms on Sunday evening. Schitter stated that two (2) trucks and three (3) men were sent out today to help Washington. Schitter will get back with the Board at next month's meeting regarding the claim information.

JASPER CLEAN ENERGY MONTHLY REPORT (DVD-25:56)

Bud Hauersperger explained the Jasper Clean Energy monthly report for October to the Board. He stated that there had been no changes in the report from last month.

Hauersperger stated that he visited the miscanthus demonstration plot in Huntingburg last week. The miscanthus grass is over eight (8) feet tall and has filled in very nicely. The plot will be mowed down this year. Hauersperger also stated that last year a company planted over 18,000 acres of miscanthus grass across the country. The grass is becoming more and more prevalent.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-27:11)

Wayne Schuetter, Chairman of the Board, stated that the Committee did not meet during the past month.

2014 CAPITAL EXPENDITURE PLAN – GAS & WATER (DVD-27:18)

Ernie Hinkle presented his 2014 Capital Expenditure Plan to each Board Member. He invited the Board Members to contact him with any questions or concerns.

REQUEST TO KEEP TRUCK #10 (DVD-27:32)

Hinkle stated that at last month's meeting he asked the Board's permission to trade in truck #10 for an SUV. After talking with the Gas and Water employees, Hinkle has realized that truck #10

is used for numerous projects every day. Hinkle would like to keep truck #10 and use it as a service truck. Hinkle also asked for the Board's permission to buy the SUV without the trade-in.

Chairman Schuetter stated that the 2013 Capital Expenditure Plan allowed \$25,000 for the SUV purchase. He said if the quotes in December come in within the allocated amount, there should not be a problem purchasing the SUV. If the quotes come in over the allocated amount, the purchase of the SUV may have to be included in the 2014 Capital Expenditure Plan.

Dave Hurst made a motion to retain truck #10, instead of trading it in for an SUV as previously approved. Keith Masterson seconded the motion. Motion approved, 6-0.

GAS PLANNING COMMITTEE REPORT (DVD-31:15)

Keith Masterson, Chairman of the Gas Planning Committee, stated the Committee did meet on November 4, 2013. The Committee met to discuss a compressed natural gas filling station. At the meeting, Hauersperger explained that he was asked to find a consultant to perform a feasibility study regarding a compressed natural gas filling station. Hauersperger contacted Mike Cracraft and London Witte. London Witte responded with a proposal for a not-to exceed \$10,000 for the feasibility study.

Hauersperger, along with Attorney Kabrick, Chairman Schuetter, and Mayor Seitz, also met with Kellie Walsh of Greater Indiana Clean Cities Coalition (GICCC). Walsh is very knowledgeable regarding compressed natural gas filling stations as well as grant opportunities that can help with various projects. Membership in the GICCC could provide support for the City in analysis of a potential compressed natural gas project. This would help the City to avoid the cost of a feasibility study. Membership in the Greater Indiana Clean Cities Coalition requires payment of the membership fee in the amount of \$500 per year.

The Committee recommend to the Utility Service Board to become a member of the GICCC for a membership fee of \$500 per year.

Chairman Schuetter stated that he spoke with Kellie Walsh and she will be at the December Utility Service Board Meeting to discuss her ideas with the Board. She is also planning a workshop at VUJC in January, if the Board agrees to become members of the Greater Indiana Clean Cities Coalition.

Alex Emmons made a motion to join the Greater Indiana Clean Cities Coalition for a \$500 annual membership fee. Doug Schulte seconded the motion. Motion approved, 6-0.

WATER PLANNING COMMITTEE REPORT (DVD-34:55)

Dave Hurst, Chairman of the Water Planning Committee, stated the Committee did meet on November 14, 2013. The Committee met to discuss UV treatment at the Water plant. At the meeting Hauersperger explained that the City of Jasper must evaluate their Water Treatment Plant in accordance with the Long Term 2 Enhanced Surface Water Treatment Rule. The City has completed the source water monitoring to determine the average Cryptosporidium

concentrations. Due to these findings an additional 1-log treatment for Cryptosporidium will be required.

Hauersperger contacted Derick Wiggins, with Midwestern Engineers, to perform a UV Study for the Water Treatment Plant. The study conducted by Wiggins and Midwestern Engineers suggests that the City should install a UV treatment filtration system to achieve inactivation of both Giardia and Cryptosporidium. The estimated cost of the installation is \$1.1 million.

Tim Doersam, Water Filtration Foreman, stated that he is concerned about the levels of THM's in the water. The EPA, IDEM, and State of Indiana recommend using UV treatment. Doersam stated that by October 2015, IDEM will require proof that the City is proceeding with the process of treating Cryptosporidium. If the City does not show proof, IDEM could fine the City daily, take over the Water Plant, or even shut it down.

IDEM requires a letter, from the City, stating that the City is looking into a UV filtration system and providing IDEM with a time table. IDEM will review the letter and provide the City with an opinion regarding its approval – or disapproval of the City's proposed plan and timeline. The Committee agreed that the letter should request a response, from IDEM, no later than December 1, 2013. This will allow the City to take further action, if any, at the December Utility Service Board meeting. The Utility Service Board will have to approve the letter before sending it to IDEM.

The Committee discussed funding for the UV treatment filtration system. It was stated that a loan could be obtained from the Electric Department for the full amount if needed. The Committee discussed that it might be a good idea to do a separate Loan for the UV treatment filtration system. Water rates should not have to be raised. The amount needed for the loan is not enough for bonding.

The Committee recommended, to the Utility Service Board, to approve the proceeding with steps to implement the UV treatment filtration system at the Water plant as recommended by Midwestern Engineers.

Chairman Schuetter wanted to ensure the citizens of Jasper that our water is good and drinkable. The THM levels have not caused any problems historically. However, we have had a hard time maintaining constant levels at times. Approximately one (1) year ago, Tim Doersam, Water Filtration Manager, started looking into upcoming EPA and IDEM regulations. Doersam stated that in December of 2013, each site tested will have to show that the THHM levels are below 80 parts per million. The UV filtration system, as well as the Oracle chemical, will help maintain the THM levels. These new regulations are nationwide.

Keith Masterson made a motion to approve sending the letter to IDEM stating that the City will be moving forward with a plan and schedule to install a UV filtration system at our Water Filtration plant. Dave Hurst seconded the motion. Motion approved, 6-0.

At the Committee meeting, Hauersperger also discussed that the 3rd Avenue Water project is going to need constant monitoring by Midwestern Engineers. Infrastructure Systems (ISI)

requested a full-time inspector for the project. This is a huge project and City employees are not familiar with the type of pipe being used.

Initially, Midwestern was only hired on a part-time basis for monitoring. The additional cost for full-time inspection and monitoring is \$10,000. Wayne Schuetter stated that it is a good idea to have Midwestern there to make decisions on site when they arise. He also said that Midwestern should be in constant contact with Bud and Ernie and have monthly reports available at the USB meetings. Attorney Kabrick stated that the City may need to adjust the language in the contract due to the full-time monitoring.

Dave Hurst made a motion to approve hiring Midwestern Engineers for the full-time monitoring of the Third Avenue Water Project for an additional \$10,000, contingent upon review by Attorney Kabrick. Keith Masterson seconded the motion. Motion approved, 6-0.

Hauersperger asked for proposals from Christopher Burke Engineering, Morley and Associates, Commonwealth Engineers, and VS Engineering to do a feasibility study to raise the Beaver Lake water level. Christopher Burke's proposal for the study was \$11,000 and they were the engineer for the initial project. Morley and Associates proposal for the study was \$11,500.

Hauersperger handed out the proposals from Christopher Burke Engineering and Morley and Associates to the Board for review. Hauersperger recommended Christopher Burke because they are the Engineer of record and have the most knowledge of the existing spillway. Burke's price is also the lowest. VS Engineering and Commonwealth both declined to send a proposal.

Chairman Schuetter reminded the Board that raising the lake is not something the City is guaranteed to do. The City will have to wait and see what the feasibility study cost options are and then determine how to proceed.

Dave Hurst made a motion to hire Christopher Burke Engineering to complete a feasibility study for raising Beaver Lake for not-to-exceed \$11,000. Rick Stradtner seconded the motion. Motion approved, 6-0.

Attorney Kabrick stated that Ireland Water has approved and signed the City's contract. Attorney Kabrick explained that the amendment allows additional water to be obtained by Ireland from the City if the need arises. Attorney Kabrick explained that the amendment will need no action by the Utility Service Board. Mayor Seitz will need to approve and sign the amendment.

Hauersperger also said that Christopher Burke Engineering and Brosmer Land Surveying both reviewed the report from Morley and Associates. Brosmer Land Surveying had no comments. Christopher Burke agreed with what Morley and Associates stated.

2014 CAPITAL EXPENDITURE PLAN - WASTEWATER (DVD-55:23)

Ed Hollinden presented his 2014 Capital Expenditure Plan to each Board Member. He invited the Board Members to contact him with any questions or concerns.

CHANGE ORDER FOR BAR SCREEN PROJECT (DVD-55:38)

Hollinden presented the Board with a change order for the bar screen project in the amount of \$1,385. Hollinden explained that within our contract, the manufacturer was required to perform a preliminary site visit to verify dimensions and inspect. During this inspection they discovered that the bar screen was rubbing on the concrete below the flow line and that the concrete needs to be shaved off so that there is safe clearance.

Keith Masterson made a motion to approve the change order for the bar screen project, to modify the concrete, in the amount of \$1,385. Doug Schulte seconded the motion. Motion approved, 6-0.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-57:12)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the Committee did not meet during the past month.

2014 CAPITAL EXPENDITURE PLAN - UBO (DVD-57:20)

Ashley Kiefer presented the Utility Business Office 2014 Capital Expenditure Plan to each Board Member. She invited the Board Members to contact her or Bud Hauersperger with any questions or concerns.

ASSET DISPOSAL AUTHORIZATIONS (DVD-57:37)

Ashley Kiefer gave the Board a copy of the 2013 Asset Disposal Authorization List to review. There being no questions, she asked for approval from the Board.

Alex Emmons made a motion to approve the asset disposal authorizations. Keith Masterson seconded the motion. Motion approved, 6-0.

IDENTITY THEFT PREVENTION PROGRAM REPORT (DVD-58:29)

Kiefer informed the Board that Jasper Municipal Utilities is required to prepare a yearly Identity Theft Prevention Program Report. There have not been any cases of identity theft or changes in the program in the past year.

UBO SOFTWARE UPDATE (DVD-59:14)

Kiefer informed the Board that Tyler, the Business Office software company, is ready to implement the credit card application to the computer system. The Utilities need to get the credit card payment built into the Payment Ordinance, therefore the office can accept credit card payments. It also needs to be determined who will pay the extra credit card fees when credit card payments are used in the office or made online.

Kiefer also stated that the Business Office is working on implementing the last module of the software, which is inventory, into the system. A data pull was completed a couple weeks ago

and Tyler is in the process of converting those files to the system. Kiefer hopes that the module will be implemented during the 1st quarter of next year.

UPDATE ON WAGE STUDY WITH VERISIGHT (DVD-1:00:15)

Bud Hauersperger informed the Board that Verisight started the wage study analysis last week. More information should be available at a future meeting.

ELECTRIC RATE STUDY (DVD-1:00:42)

Hauersperger stated that an Electric rate study is going to be performed by Umbaugh. He will be meeting with them on November 26, 2013 to begin reviewing the financial data associated with the rate study.

FINANCE COMMITTEE REPORT (DVD-1:01:02)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Rick Stradtner made a motion to approve the claims as presented. Alex Emmons seconded the motion. Motion approved, 6-0.

NON-RECURRING CHARGES RESOLUTION UPDATING EQUIPMENT RENTAL FEES & LAB CHARGES (DVD-1:01:35)

Attorney Kabrick presented Resolution # USB 2013-10 to the Board regarding non-recurring charges. The changes are in regards to the Wastewater laboratory charges and the equipment rental fees.

Doug Schulte made a motion to approve Resolution #USB 2013-10, a Resolution setting billing charges. Keith Masterson seconded the motion. Motion approved, 6-0.

OTHER BUSINESS (DVD-1:03:01)

Mayor Seitz recognized the Electric Department's quick response regarding assisting the City of Washington, due to their storm damage. He thanked Jerry Schitter and the entire Electric Department for their involvement.

There being no further business to come before the Board, the meeting was adjourned at 8:05PM upon motion by Alex Emmons and seconded by Dave Hurst. Motion approved, 6-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2013.

Attest: _____
Secretary Chairman